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**Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations**

**Financing of the United Nations Mission in the Sudan**

# Budget performance for the period from 1 July 2011 to 30 June 2012 of the United Nations Mission in the Sudan

## Report of the Advisory Committee on Administrative and Budgetary Questions

| | |
|---|---|
| Appropriation for 2011/12[a] | $137,532,000 |
| Expenditure for 2011/12 | $133,989,300 |
| Unencumbered balance for 2011/12 | $3,542,700 |

[a] See General Assembly resolution 66/244, para. 5.

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# I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the budget performance of the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2011 to 30 June 2012 (A/67/586). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses received on 21 February 2013.

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/67/780 (forthcoming). In the present report, the Committee deals with resources and other items that relate specifically to UNMIS. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIS are listed at the end of the present report.

3. The mandate of UNMIS was established by the Security Council in its resolution 1590 (2005) and was last extended by the Council until 9 July 2011 in its resolution 1978 (2011). In its resolution 1997 of 11 July 2011, the Council decided to withdraw UNMIS effective 11 July 2011, and called upon the Secretary-General to complete withdrawal of all uniformed and civilian UNMIS personnel, other than those required for the Mission's liquidation, by 31 August 2011.

# II. Budget performance for the period from 1 July 2011 to 30 June 2012

4. The Advisory Committee recalls that the main objective of UNMIS for the period from 11 July to 31 December 2011 was the logistical, administrative and security support to the withdrawal and administrative liquidation of the Mission by 31 December 2011, and that the withdrawal and liquidation plan and schedule were explained in the report of the Secretary-General on the revised budget for the Mission for 2011/12 (see A/66/718/Add.5, para. 15).

5. The Advisory Committee further recalls that the General Assembly decided to reduce the appropriation of $482,460,550 for the maintenance of the Mission to $137,532,000 for the withdrawal and administrative liquidation of the Mission for the period from 1 July 2011 to 30 June 2012 (see General Assembly resolution 66/244, para. 5).

6. Expenditures for the period 2011/12 totalled $133,989,300. The resulting unencumbered balance of $3,542,700 as at 30 June 2012, in gross terms, represents 97.4 per cent implementation rate of resources utilization. An analysis of variances is provided in section IV of the budget performance report by the Secretary-General (A/67/586). The underexpenditures are mainly attributable to (a) international staff ($1,635,400); (b) facilities and infrastructure ($3,094,600); and (c) other supplies, services and equipment ($2,647,300) (see A/67/586, paras. 46, 53 and 60). The underexpenditures were partially offset by increased requirements under, inter alia, military contingents ($2,484,000) (see A/67/586, para. 44).

7. For the period from 1 August to 31 December 2011, the budget of UNMIS also provided for costs associated with the four approved posts (1 USG, 1 D-1, 2 P-4) and associated travel costs, in the amount of $914,700, for the Office of the Special

Envoy of the Secretary-General for the Sudan and South Sudan. Total expenditure amounted to $344,900 and the unencumbered balance of $569,800 was owing to the delayed recruitment of the D-1 and P-4 posts (see A/67/586, paras. 37-40).

*Transfer of civilian staff and impact on staff mobility*

8. Paragraph 19 of the performance report (A/67/586) indicates that 776 international staff members were transferred to the United Nations Mission in South Sudan (UNMISS) and the United Nations Interim Security Force for Abyei (UNISFA). Upon enquiry, the Advisory Committee was informed that 772 staff members were actually transferred to the two new missions (2 of the 776 posts were transferred to the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and 2 transfers to UNISFA were delayed and are excluded from the table below). The Committee notes that the information concerning international staff transfers to UNMISS and UNISFA as contained in the performance report was not accurate.

**Transfer of civilian international staff from UNMIS to other missions**

| *Staff category* | *UNMISS* | *UNISFA* | *UNAMID* | *Other* | *Total* |
|---|---|---|---|---|---|
| USG/ASG | 2 | – | – | – | 2 |
| D-level | 14 | – | – | – | 14 |
| P-level | 277 | 6 | 2 | 6 | 291 |
| FS-level | 457 | 16 | | 13 | 486 |
| **Total** | **750** | **22** | **2** | **19** | **793** |

*Abbreviations*: USG, Under-Secretary-General; ASG, Assistant Secretary-General; FS, Field Service.

9. In the context of the broader issue of staff mobility in the Secretariat, the Committee notes, on the basis of information provided to it, that of the 1,115 long-term duty station moves during the 2011/12 period (including only those moves that involved a duty station change of one year or more in duration), 45 moves related to UNMISS staff, representing 4 per cent of the total number of long-term moves. The Committee was further informed that in the case of staff transfers from UNMIS to UNMISS and UNISFA, it was possible to transfer between Missions without changing duty stations.

*Asset disposal*

10. A brief summary of activities related to asset disposal by the Mission is provided in paragraphs 24 to 26 of the performance report (A/67/586). The Advisory Committee will consider the issue in detail when it reviews the report on the final disposition of the assets of UNMIS, which is to be submitted by the Secretary-General.

11. The Advisory Committee, nonetheless, notes from the performance report that assets not required for current or future United Nations missions or agencies were subject to commercial disposal and were sold in the amount of $2,108,548 (see A/67/586, para. 25). Upon enquiry, the Committee was informed that the amount of $2,108,548 related to the sale of non-expendable assets, equivalent to 10.4 per cent

of the inventory value and 34.8 per cent of the residual value, as at 30 September 2011. The Committee was further informed that the process for the sale was considered effective, in terms of obtaining bids for the lots and collecting the full amount of the bids. The general comments and recommendations of the Advisory Committee on asset disposal are contained in its report on the findings of the Board of Auditors related to peacekeeping operations (A/67/782, forthcoming).

*Air transportation*

12. The performance report indicates that 1.5 million litres of aviation fuel were supplied, compared with the planned provision of 0.5 million litres of fuel, oil and lubricants (see A/67/586). Similarly, there were significant variances in flying hours: actual flying hours of 949 and 1,288 for fixed-wing and rotary-wing aircraft, respectively, compared with the estimated 155 hours for fixed-wing and 272 for rotary-wing aircraft in the budget. The Advisory Committee notes that, while the actual fuel consumption was three times higher than budgeted, the flying hours of the fixed-wing and rotary-wing aircraft were six times and four times higher than planned, respectively, during the performance period. Upon enquiry, the Advisory Committee was informed that UNMISS operated the aircraft and charged UNMIS for the flying hours, but not the fuel costs from August to December 2011. **In the view of the Advisory Committee, the information relating to fuel consumption and flying hours in the performance report of UNMIS lacks clarity and transparency, and this should be improved in future budget performance reports of peacekeeping operations.**

*Other matter*

13. The Advisory Committee notes from the budget performance report for 2011/12 that unforeseen outstanding invoices relating to prior periods were a major factor contributing to the higher requirements under official travel, ground and air transportation, and communications (A/67/586, paras. 52, 54, 55 and 57). While the Committee understands that there could be outstanding invoices from prior periods owing to unpredictable situations on the ground, the Committee sought clarification as to why the invoices in question were unforeseen. The Committee was informed that this relates to expenditures that had been incurred but had not been budgeted for the performance period. **The Advisory Committee is of the view that more accurate description of variances should be provided in future performance reports.**

## III. Financial position

14. The financial position of the Mission, as at 30 June 2012, is explained in paragraphs 61 to 63 and illustrated in the table of the report of the Secretary-General (A/67/586). The net cash available amounted to $4,722,500, representing a cash shortfall of $61,305,300, taking into account credits due to Member States for the financial periods 2010/11 ($38,463,600) and 2011/12 ($27,564,200).

15. The Advisory Committee was informed of an updated summary of financial position of the Mission, as at 31 December 2012, which is attached as an annex to the present report. As shown in the annex, the net cash available of the Mission had increased to $51,981,100, before taking into account additional potential liabilities

that were estimated at $7,535,110 (see footnotes to the annex). The Committee was also informed that it is currently possible to return the full credits in the amount of $38,463,600 due to Member States in respect of the 2010/11 financial period; however, given the uncertainty of the total additional potential liabilities, the amount of credits to be returned to Member States for the period 2011/12 is yet to be finalized. **The Advisory Committee recommends that the most updated information with respect to the total liabilities be provided to the General Assembly at the time of its consideration of the performance report of UNMIS for 2011/12 (see para. 18 below).**

16. The Advisory Committee was also informed of the updated status of contributions with respect to the Mission. As at 1 February 2013, of the total amount of $6,873,123,000 assessed by the General Assembly, the amount of $6,861,706,000 had been received, leaving the assessed contributions receivable from Member States totalling $11,417,000. **In this regard, the Advisory Committee recalls the repeated calls by the General Assembly for all Member States to pay their assessed contributions on time, in full and without conditions (see A/67/837 (forthcoming), para. 6 and General Assembly resolution 65/293).**

## IV. Other matter

*Naval transportation for the period 2010/11*

17. During its consideration of the performance report of UNMIS for the period 2010/11, the Advisory Committee noted an apparent disconnect between the actual implementation rate of 65 per cent of boat patrol days and actual fuel consumption of 90 per cent. Although the Committee sought clarification on this issue, it was not provided with an adequate explanation. The Committee therefore requested that full justification for this apparent discrepancy be provided in the context of the next performance report of the Mission (A/66/718/Add.5, para. 14). In this regard, the Committee notes the explanation provided in section VII.A of the performance report of the Mission for 2011/12 (A/67/586), in which it is stated that for the period 2010/11, the planned number of patrol days (which was stated as 11,680, calculated as 8 troops per boat in 4 boats for 365 days per year) was too high and should have been lower, with usage of an average of 3 boats per day, giving a revised estimate of 8,760 patrol days. On this basis, the actual number of outputs would have been 86 per cent of planned patrol days, which is in line with the fuel levels supplied. **The Advisory Committee is of the view that all efforts to improve the accuracy and precision of budget estimates should be made and discrepancies in implementation be fully explained in the related performance reports.**

## V. Recommendations

18. The actions to be taken by the General Assembly in connection with the performance report for the Mission are contained in paragraph 64 of the report of the Secretary-General (A/67/586). **Taking into account the updated cash position of the Mission as at 31 December 2012, the Advisory Committee recommends that the General Assembly:**

(a) **Return the full credits in the amount of $38,463,600 due to Member States in respect of the 2010/11 financial period;**

(b) **Request the Secretary-General to provide an update of the financial position of the Mission at the time of its consideration of the budget performance report of UNMIS, in order to determine the appropriate amount of credits to be returned to Member States for the 2011/12 financial period, as well as the treatment of the remaining balance of credits for the 2011/12 financial period that should be deferred for consideration by the Assembly in the context of the final performance report for the Mission.**

*Documentation*

- Budget performance of the United Nations Mission in the Sudan for the period from 1 July 2011 to 30 June 2012 (A/67/586)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2011 to 30 June 2012 (A/67/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions containing its observations and recommendations on cross-cutting issues related to peacekeeping operations (A/67/780) (forthcoming)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the budget performance of the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011 (A/66/718/Add.5)
- General Assembly resolutions 65/257 B and 66/244 on the financing of the United Nations Mission in the Sudan
- Security Council resolution 1997 (2011)

# Annex

## United Nations Mission in the Sudan

### Updated summary of financial position as at 31 December 2012

(Thousands of United States dollars)

| | *Description* | *Amount* |
|---|---|---|
| I. | Cash assets | **58 483.0** |
| II. | Cash requirements (liabilities): | |
| | Contributions or payments received in advance | 453.6 |
| | Accounts payable to Member States | 56.1 |
| | Unliquidated obligations, including prior-period obligations | 3 420.2 |
| | Other accounts payable and liabilities | 2 572.0 |
| | **Subtotal** | **6 501.9** |
| III. | Net cash available (I less II) | **51 981.1** |
| IV. | Credits due to Member States from the 2011/12 period | |
| | a. Unencumbered balance | 3 542.7 |
| | b. Other income: | |
| | Interest income | 794.7 |
| | Other/miscellaneous income | 3 882.5 |
| | Cancellation of prior-period obligations | 19 500.3 |
| | Prior-period adjustments | (156.0) |
| | **Subtotal, other income** | **24 021.5** |
| | **Total credits due to Member States from the 2011/12 period (a plus b)** | **27 564.2** |
| V. | Credits due Member States from the 2010/11 period | |
| | a. Unencumbered balance | 9 249.9 |
| | b. Other income: | |
| | Interest income | 4 425.4 |
| | Other/miscellaneous income | 1 399.0 |
| | Cancellation of prior-period obligations | 23 389.3 |
| | **Total credits due to Member States from the 2010/11 period (a plus b) (A/66/608)** | **38 463.6** |
| VI. | Cash shortfall (III less IV less V) | **(14 046.7)** |

*Note*: The statement of financial position as at 31 December 2012 does not include two potential liabilities:

1. $7.2 million claim from a Member State for movement of contingent-owned equipment;
2. $335,110 audit fees.